

ELIGIBILITY CRITERIA

- a. Applicants are invited to submit interest for bid process of proposed assignment of ESG Loan asset. *Details of options available for bidding shall be provided to the eligible interested parties in the process document.*
- b. Applicants may submit an interest whether individually or as part of a consortium as further set out below.
- c. Interest can be submitted by the Applicants who satisfy the eligibility criteria listed in (d) below.
- d. The Applicant must satisfy the following eligibility criteria:
 1. **Category I:** For Private/ Public Limited Company/ Limited Liability Partnership (“LLP”) / Body Corporate/ any other Applicant (which is not a financial entity) (“**Category I**”):
 - (i) Minimum Tangible Net Worth (“TNW”) shall be at least Rs. 100 Crore.
 - (ii) TNW shall be in an individual capacity or at the Group level in the immediately preceding completed financial year.
 - (iii) TNW shall be computed as aggregate value of paid-up share capital and all reserves created out of the profits and securities premium account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, and does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.
 - (iv) Group may comprise of entities where each such entity is either controlling or controlled by or under common control with the Applicant. The entities must have been part of the Group for at least 3 years.

The term “control” shall have the meaning ascribed to the term under the Companies Act, 2013 and the terms “controlling” and “controlled” shall be construed accordingly.
 2. **Category II:** For Financial entities including investment company/ asset management company/ Fund House/ Private Equity Investor/ Non-Banking Financial Company/ ARC or any other eligible entities (“**Category II**”):
 - (i) The Applicant shall, in the immediately preceding completed

financial year (FY 2024), have the minimum Asset under Management (“AUM”) of at least Rs. 250 Crore or such applicable size as may be specified by the regulator.

- (ii) AUM is defined as “total funds deployed” or “total value of loan book / instruments.”
- (iii) Applicants may rely on their Group’s AUM for complying with the above. Group may comprise of entities where each such entity is either controlling or controlled by or under common control with the Prospective Bidder. Control means at least 26% ownership and in relation to AIF/Private Equity Investor and similar eligible funds, shall comprise of the sponsor / anchor Investor holding the majority contribution in such Prospective Bidder, and controlling the management of the fund either through equity or through terms of investment decisions.

3. For Applicant under a Consortium – under both (1) and (2) above:

- (i) The communication for interest must list the members of the Consortium and the Lead Partner.
- (ii) Members of the Consortium shall nominate and authorize one of the members of the Consortium as the “**Lead Partner**” to act on behalf of the Consortium (and for each of them as members of the Consortium). It is mandatory for each consortium to designate a Lead Partner at the time of submission of the Interest.
- (iii) Such Lead Partner shall be the single point of contact on behalf of the Consortium with SEFL, their representative and advisors in connection with all matters pertaining to the Consortium.
- (iv) No change of members of Consortium shall be permitted post submission of Interest (except with prior approval of SEFL). SEFL may consider any request for change in the Consortium member provided that the proposed Consortium member is not an entity ineligible under the Process Document. Notwithstanding anything to the contrary set out herein, no change in the Lead Partner shall be allowed.
- (v) The Consortium members must jointly satisfy the criteria mentioned in point 1 or 2 above, as the case may be. All the members of the consortium shall be jointly and severally

responsible for compliance with the terms of the process thereafter.

- (vi) The Consortium shall submit the copy of consortium agreement, joint venture agreement or partnership agreement (as the case may be), entered into between the Consortium members, and such consortium agreement should not be in violation of the terms of the Invitation and subsequent Process Document and the process.
- (vii) If an entity has submitted an Interest, then such entity cannot be a part of any other Consortium. Similarly, the members of the consortium shall not be allowed to become Applicants outside the Consortium or to become part of more than one consortium.

Other Conditions

- Participation in the bid submission process (including any conditions in relation to control/lock-in restrictions etc.) of eligible Applicants shall be solely in accordance with the provisions of the Process Document which will be issued in due course and the terms of such Process Document will be applicable to the Applicants.
- Applicant must be a fit and proper person and must not be under any legal incapacity to submit an Interest or assume any legal or beneficial interest in the ESG loan asset.
- Applicants shall promptly submit such additional information as may be if required by SEFL or its Advisor.